



AF  
JW

Patent

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Thakur et al §  
Serial No: 10/085,196 § Art Unit: 3622  
Filed: 02/27/2002 §  
For: Business Systems & Methods § Examiner: Le, Khanh H.  
For Consumers/Vendors § Atty Docket No: SUNI 001  
Interface via the Internet To § Conf. No. 1473  
Automatically Provide Discounts §

**RESPONSE TO NOTIFICATION OF NON-COMPLIANT APPEAL  
BRIEF MAILED 08/16/06**

Mail Stop; Commissioner for Patents  
P.O. Box 1450  
Alexandria VA 22313-1450

Dear Sir:

This is a Response to the Notice of Non-Compliant Appeal Brief mailed 08/16/2006. Please enter the amended Appeal Brief submitted herewith which addresses all of the stated reasons for non-compliance in the Notice.

Respectfully submitted,

Guy McClung  
Reg. No. 29,008

Date: 9 Sept. 06

PMB 347; 16690 Champion Forest Drive  
Spring, TX. 77379--7023  
Phone: 281 893 5244

CERTIFICATE OF MAILING UNDER 37 C.F.R. §1.8(a)  
I hereby certify that this correspondence is being deposited with sufficient postage as first class U.S. mail with the United States Postal Service in an envelope addressed to: Mail Stop, Commissioner For Patents, Alexandria, VA 22313-1450, on 9 SEP 06.  
Guy McClung, Reg. No. 29,008



IN THE UNITED STATES  
PATENT AND TRADEMARK OFFICE

APPEAL BRIEF

APPLICANTS:	Sunil Thakur and Zul Momin
SERIAL NO.:	10/085,196
FILED:	02/27/2002
FOR:	Business Systems & Methods For Consumers/Vendors Interface via the Internet To Automatically Provide Discounts
ART UNIT:	3622

## CONTENTS

Table Of Cases And Authorities . . . . .	1
Real Party In Interest . . . . .	2
Related Appeals & Interferences . . . . .	2
Status Of Claims . . . . .	2
Status Of Amendments . . . . .	2
Summary Of Claimed Subject Matter . . . . .	3
Grounds Of Rejection To Be Reviewed On Appeal . . . . .	4
Argument . . . . .	5
Conclusion . . . . .	13
Claims Appendix . . . . .	14
Evidence Appendix . . . . .	19
Related Proceeding Appendix . . . . .	19

## TABLE OF CASES AND AUTHORITIES

None.

### REAL PARTY IN INTEREST

The real parties in interest in this application and in this Brief are the named co-inventors, Sunil Vasantrao Thakur and Zulfiqar Noormohammed Momin.

### RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences.

### STATUS OF CLAIMS

Claims 1 - 11 originally presented in this application were rejected in the Office Action Mailed 09/27/2004. Claims 1 - 11 and new claim 13, presented in the Response To Office Action Mailed 09/27/2004, were finally rejected in the Office Action Mailed 02/22/2005. In an Advisory Action Mailed 5/20/2005 the rejection of claims 1 - 13 was maintained and new proposed Claim 14 was not entered. Applicants filed a Request For Continued Examination on 6/02/2005 with claims 14 - 22. Claims 14 - 22, rejected in the Office Action of 8/11/2005 were canceled in a Response filed 11/10/2005. Claims 23 - 30 have been finally rejected (Office Action 2/13/2006) and are the claims appealed here. A copy of these claims is attached in the Appendix.

### STATUS OF AMENDMENTS

After rejection of claims 14 - 22, Applicants filed a Response To Office Action Mailed 8/11/2005 presenting new claims 23 - 30. In an Office Action Mailed 2/13/2006 the Examiner finally rejected claims 23 - 30.

There is no pending rejection of claims under § 102. Applicants agree with this implicit finding that the present invention is patentably novel.

## SUMMARY OF CLAIMED SUBJECT MATTER

Applicants claim a novel method for carrying out a consumer's purchase of items or services with several actions - including the application of any relevant discounts - effected without action by the consumer.

Independent claim 23 is illustrative of the broadest claims on appeal. Claim 23 claims a method. The method is explained and illustrated, in large part, in Fig.1A and steps thereof are stated generally in original Claims 10 and 11 (Specification, Page 56) and in the Abstract (Specification, Page 57). In the concise explanation of Claim 23 below, citations to the Specification of the Application are stated in terms of a Page and Line numbers; e.g., "Page 20, Lines 21-23" is a reference to the Specification of the Application, Page 20, text lines 21 to 23.

### Independent Claim 23

23. A method for carrying out a purchase (Fig. 1A; Original Claim 11, Page 56, Line 1) comprising the steps of:

reading at a point-of-sale terminal located at a vendor consumer-identifying information encoded on a device having a readable data string (Fig. 1A; Claim 11, Page 56, Lines 2,3; Page 20, Lines 23-25; Page 51, Lines 31-34);

maintaining a database of discounts available at the vendor (Claim 11, Page 56, Line 4; Page 20, Lines 21-23; Claim 10, Page 56, Line 3; Page 52, Lines 3-4; Page 57, Line 7);

determining on a real-time basis whether the items purchased by the consumer are items offered at a discount by the vendor, said determining not done by the consumer (Claim 11, Page 56, Lines 5,6; Page 20, Lines 29-31; Page 46, Lines 30-33; Page 15, Lines 21-26; Page 49, Lines 13-15; Page 51, Lines 28-30);

transmitting a signal to the vendor to cause a discount to such items purchased by the consumer on an itemized basis that are identified in the

database as being offered by the vendor at a discount, said transmitting not done by the consumer (Claim 10, Page 56, Lines 8-10; Claim 11, Page 56, lines 7-9; Page 52, Lines 9-10; Page 46, Lines 8-11; Page 51, Lines 28-30);

connecting in an initial split connection connecting the point-of-sale terminal to the host system for communication therewith, the database of discounts maintained in the host system, the host system remote from the point-of-sale terminal (Fig. 1A; Page 7, Line 23; Page 20, Lines 25-27; Page 42, Lines 14-20; Page 20, Lines 22, 25-27; Page 52, Line 2; Page 57, Line 6);

the host system accomplishing said determining (Claim 10, Page 56, Lines 8,9; Page 15, Lines 33-34; page 17, Lines 25-27);

the host system accomplishing said transmitting to effect said discount (Claim 11, Page 56, Lines 7-9; Page 14, Lines 2-3; page 17, Lines 25-27);

initially delaying connection of the point-of-sale terminal to a payment processing system and initially delaying initiation of financial authorization of payment for the purchase (Fig. 1A; Page 20, Lines 25-27);

following said determining and said transmitting, connecting the point-of-sale terminal to the payment processing system and completing the purchase via the payment processing system (Fig. 1A; page 20A, Lines 2-6); and

the effecting of said discount done without action by the consumer (Page 57, Lines 15-17).

#### GROUND OF REJECTION TO BE REVIEWED ON APPEAL

1. Whether claims 23 - 25 and 28 - 29 are unpatentable under 35 U.S.C. § 103(a) over Kepecs (U.S. 6,009,411, hereinafter "Kepecs") in view of Williams (U.S. 6,075,971, hereinafter "Williams"), and further in view of Hills et al (U.S. 5,484,988, hereinafter "Hills").

2. Whether claims 26 - 27 and 30 are unpatentable under 35 U.S.C. § 103 over Kepecs in view of Williams and further in view of Hoffman (U.S. 5,297,026, hereinafter "Hoffman").

## ARGUMENT

### **ARGUMENT RE: FIRST GROUND OF REJECTION**

1. Whether claims 23 - 25 and 28 - 29 are unpatentable under 35 U.S.C. § 103(a) over Kepecs (U.S. 6,009,411, hereinafter "Kepecs") in view of Williams (U.S. 6,075,971, hereinafter "Williams"), and further in view of Hills et al (U.S. 5,484,988, hereinafter "Hills").

This section of the Argument focuses on actions in the claimed methods effected without action by the consumer and on a split connection and actions related thereto.

All now-pending claims on appeal require:

- determining discounts, the determining not done by the consumer
- transmitting discount signal, the transmitting not done by the consumer
- effecting a discount, the effecting not done by the consumer.

Kepecs discloses systems and methods which, in every disclosed embodiment, require

- presentation of discount choices to a consumer (see, e.g. Kepecs, Col. 2, lines 40 - 41; Col. 3, lines 54 - 58)
- selection of choice(s) by the consumer. (see, e.g., Kepecs at Col. 2, lines 43 - 44; Col. 3, lines 65 - 67)

As stated in the Office Action mailed 8/11/2005 (Page 4):

Kepecs does not disclose applying the discount without a selection from the consumer of any said applicable discount, and without requiring consumer awareness of any said applicable discount.

All now-pending claims on appeal require:



- connecting the point-of-sale terminal to the host system in an initial split connection
- delaying connection of the point-of-sale terminal to a payment processing system and delaying payment authorization, and
- following discount determination and transmission, then connecting the point-of-sale terminal to the payment processing system and completing the purchase.

Kepecs neither teaches nor suggests an initial split dial-up connection as now claimed herein; and Kepecs is admitted as not teaching this connection:

" . . . it is Hills not Kepecs that teaches the initial split connection feature". (Office Action mailed 2/13/2006, Page 3)

Thus, invalidation of the now-pending claims under § 103 requires a proper combination of references which includes things neither disclosed nor suggested by Kepecs:

- actions as claimed not done by the consumer; and
- a split dial-up connection and actions related thereto as claimed.

Applicants respectfully submit that these elements are not taught and are not suggested by the references relied upon by the Examiner; and that these references do not disclose what is now claimed and that, even if combined, the teachings of these references do not achieve the present invention as claimed in the now-pending claims.

#### Kepecs - Consumer Action; And No Coupons

The Kepecs reference is directed and devoted to systems and methods which necessarily require conscious action by the consumer. The consumer must select from the choices presented. The consumer " . . . selects the desired promoted products." (Kepecs, Col. 3, lines 41 - 42) The consumer in Kepecs does not select products and then, without any consumer action, have a discount applied. The

consumer in Kepecs selects desired promoted products, i.e., when the consumer makes the selection, the consumer is aware of the "promoted" nature of the product, the consumer is aware of the fact that a "discount choice" (Kepecs, Col. 2, line 40) is available when the consumer acts. The consumer in Kepecs explicitly and knowingly makes "selections of discount choices." (Kepecs, Col. 2, lines 40 - 44)

The Williams reference is relied on in the rejection of the claims under § 103 to remedy the deficiency of Kepecs:

However, Williams discloses a method and apparatus for providing and monitoring coupons via a network wherein coupons may be downloaded to a user's system automatically or on demand via the internet. (See at least abstract) (Office Action Mailed 8/11/2005, Page 4; Office Action Mailed 2/13/2006; Page 5)

Williams is limited to the automatic download of coupons. This is not the automatic application of a discount represented by a coupon. In Williams, the user, following download of a coupon (either automatic or on demand), must print the coupon and then physically go and use the coupon: "The coupons may then be redeemed by the user" (Williams, Col. 2, lines 17 - 18); "The user then prints the coupon and redeems the coupon when making a purchase". (Williams, Col. 6, lines 59 - 60)

Williams's POS computer does not begin action until it determines "which coupons have been redeemed by users." (Williams, Col. 7, lines 18 - 29) In applying a discount represented by a coupon, Williams's POS computer acts only if the user has actually redeemed a coupon at a store. (Williams's, Col. 7, lines 24 - 29)

Clearly, the automatic coupon download of Williams is not the application of a discount as now claimed herein which is effected without action by a consumer. Thus, a combination of Williams with Kepecs does not achieve the subject matter of the claims now pending on appeal.

Applicants respectfully submit that teachings of Williams cannot properly be combined with those of Kepecs since Kepecs explicitly teaches away from a system

that involves physical coupons. Kepecs denigrates prior art coupon systems; discusses the problems with coupon systems; requires that his systems not employ coupons; and explicitly teaches away from coupons and their use in effecting discounts (see, e.g., Kepecs, Abstract, last three lines; Col. 1, lines 37 - 47). Kepecs states: "The present invention eliminates the paper coupon or its electronic counter part. . . . No paper coupons are handled by the consumer, the merchant, the manufacturer of the goods, or provider of the service." (Col. 2, lines 6 - 10)

In rejecting the pending claims, Kepecs is construed as follows:

Further, Kepecs implicitly discloses delay of payment processing until the itemized discounts are computed against the final bill. (Office Action Mailed 2/13/2006; Page 5)

Applicants do not dispute that in using Kepecs's method there will necessarily be a period of time between user selection of discounts, user initiation of a purchase, reconciliation of selections and purchases, and final effectuation of a discount. This inherent passage of time between these actions is not a teaching or suggestion of purposefully delaying anything and not a teaching or suggestion of the "delaying connection" and "delaying initiation" steps now claimed herein.

The inclusion in the system and method of Kepecs of Williams's teachings regarding coupons would render inoperative Kepecs's system in which "no consumer action other than the selection of promotions desired is required for item purchase" (Kepecs, Abstract). A person of ordinary skill, reading Kepecs's disclosure, would be discouraged from reviewing the physical coupon art which includes Williams. Kepecs and Williams address entirely different problems: Kepecs - how to effect a discount without the use of physical coupons; Williams - how to target specific physical coupons to identified users.

### **Split Dial-Up**

In an effort to provide a teaching of the split dial-up and actions related thereto in the subject matter now claimed herein, the claims have been rejected on the basis of the Hills et al reference ("Hills"). Applicants respectfully assert that Hills is deficient in this regard and does not teach or suggest the claimed split connection and actions related thereto.

Hills discloses a "Split Dial format" in which "the terminal prompts an operator/user to process one of three optional inquiry types" (Hills, Col. 8, line 49, lines 53 - 54). Hills's method is not done without user action. The user must choose one of these "inquiries" for Hills's systems. Hills has no teaching or suggestion of initially delaying connection of a point-of-sale terminal to a payment processing system and initially delaying initiation of financial authorization of payment as now claimed herein.

In Hills, once a user is presented with three options in the Hills "Split Dial" format, there is no delaying of any action. The user simply chooses one of the three options and proceeds.

For reasons similar to those that do not permit the combination of teachings from Kepecs and Williams, teachings of Kepecs and Hills are not properly combinable. Hills requires a consumer to act to effect payment - the consumer must present a check or credit card or a manual input must be accomplished - all contrary to Kepecs's goal of effecting a discount with only a consumer's selection of discount choices or promotions.

### **Argument Re: First Ground of Rejection: Claim 24**

Claim 24 reads as follows:

24. The method of claim 23 further comprising  
calculating a future discount for the consumer based on a  
payment amount for the completed purchase.

The rejection of Claim 24 is as follows:

Claim 24. Kepecs discloses the system of claim 1. Further Kepecs at least suggests means for calculating a future discount for the consumer based on a payment amount for the completed purchase. (See Col. 8 1.12-46: targeting individual consumers based on past purchase histories)

Applicants repeat here the argument above regarding Independent Claim 23 and Applicants also respectfully submit that the "targeting individual consumers based on past purchase histories" has nothing to do with and is in no way suggestive of the "calculating" of a future discount claimed in Claim 24. Claim 24 requires that a new discount, a "future discount" be calculated based on a payment amount of a present completed purchase. Kepecs nowhere teaches or suggests such a calculation- a calculation based on a payment amount. The cited text of Kepecs regarding "historical data" related to "selections made and redeemed" - not payment amounts.

#### Argument Re: First Ground of Rejection: Claim 25

The rejection of Claim 25 is as follows:

As to claim 25, providing the consumer with information about the future discount, once determined would have been obvious to inform the consumer.

Applicants repeat here the argument above regarding Independent Claim 23 and Applicants also respectfully submit that the rejection of Claim 25 is simply a conclusory statement of alleged obviousness with no basis and no evidence.

#### Argument Re: First Ground of Rejection: Claim 29

Claim 29 explicitly requires:

- discount ascertained "without any action by the consumer"

- discount applied "without action by the consumer" and "without production of a coupon"
- discount applied "without consumer selection of any said applicable discount" and "without requiring consumer awareness of any said applicable discount"

Applicants repeat here the discussion above regarding Independent Claim 23 and the discussions above regarding action that is required by Kepecs, Williams, and Hills. Again, none of these references teaches or suggest what is accomplished in the method of Claim 29 without selection, awareness, and action by the consumer.

#### **ARGUMENT RE: SECOND GROUND OF REJECTION, CLAIMS 26-27 AND 30**

2. Whether claims 26 - 27 and 30 are unpatentable under 35 U.S.C. § 103 over Kepecs in view of Williams and further in view of Hoffman (U.S. 5,297,026, hereinafter "Hoffman").

##### **Argument Re: Second Ground Of Rejection: Claims 26, 27, 30**

Applicants repeat here the arguments and discussions above regarding Independent Claim 23 from which Claims 26, 27 and 30 depend; and Applicants respectfully submit that the Hoffman reference does not remedy the deficiencies of the already-discussed references.

##### **Argument Re: Second Ground Of Rejection: Claims 26, 27**

Claims 26 and 27 reads as follows:

26. The method of claim 23 further comprising

calculating an amount of a retirement account contribution for a consumer based on a payment amount for the completed purchase.

27. The method of claim 26 further comprising

making a contribution to a retirement account of the consumer based on the calculated amount.

These claims have been rejected as follows:

### Claims 26-27.

As per claims 26-27, Kepecs does not disclose means for calculating an amount to a retirement account contribution for a consumer based on the transaction information or based on the calculated amount. However, Hoffman US 5297026 disclose giving rewards for purchases in the form of a percentage of the amount spent deposited in a customer account earning interest at a higher rate (abstract). Thus one skilled in the incentives arts would have known from Hoffman's teachings regarding the use of such incentives accounts to include retirement accounts such as to lure naive aging baby boomers to spend more. As to the basis of such reward being the nature of the transaction such marketing technique is well-known and obvious (e.g. use MasterCard, earn more rewards; buy particular product, earn more). (Office Action Mailed 2/13/2006; Page 8)

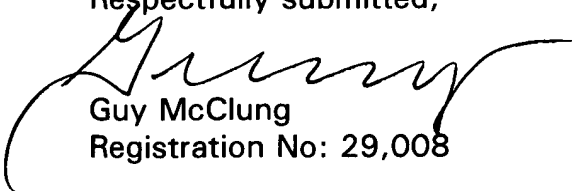
Applicants repeat here the arguments and discussions above regarding the Kepecs and Williams references. Applicants disagree with the basis of rejection of Claims 26 and 27 if it is meant to assert that Hoffman has a teaching to "include retirement accounts." Applicants respectfully submit that Hoffman has no teaching or suggestion regarding either retirement accounts or calculating an amount of a contribution to such an account based on a payment amount; nor does Kepecs have any teaching or suggestion of such a calculation based on a payment amount.

### CONCLUSION

Applicants submit that what is now claimed herein is not obvious in view of the Kepecs reference as combined with any of the other cited references.

For the reasons discussed in detail above, Applicants respectfully submit that the Examiner's action should be reversed and the pending claims should be allowed.

Respectfully submitted,

  
Guy McClung  
Registration No: 29,008

Date: 8 SEP 06

CERTIFICATE OF MAILING

This second substitute Appeal Brief is being sent in reply to the NOTICE OF NON-COMPLIANT APPEAL BRIEF mailed on 8/16/2006 and is being sent by U.S. First Class Mail with sufficient postage as first class mail to the Examiner and to Mail Stop Appeal Brief-Patents; Commissioner of Patents; P.O. Box 1450; Alexandria VA 22313-1450.

8 SEPT 2006  
Date

  
Guy McClung, Reg. No. 29,008



## **CLAIMS APPENDIX**

The claims on appeal, claims 23 - 30, were presented in Applicant's RESPONSE TO OFFICE ACTION MAILED 8/11/2005. A copy of these claims from the first four pages of this Response is attached.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

<b>Applicant:</b>	<b>Thakur et al</b>	§
		§ <b>Art Unit:</b> 3622
<b>Serial No:</b>	<b>10/085,196</b>	§
		§ <b>Examiner:</b> Le, Khanh H.
<b>Filed:</b>	<b>02/27/2002</b>	§
		§ <b>Atty Docket No:</b> SUNI 001
<b>For:</b>	<b>Business Systems &amp; Methods</b>	§
	<b>For Consumers/Vendors</b>	§ <b>Conf. No.</b> 1473
	<b>Interface via the Internet To</b>	§
	<b>Automatically Provide Discounts</b>	§

**RESPONSE TO OFFICE ACTION MAILED 8/11/05**

Mail Stop  
Commissioner for Patents  
P.O. Box 1450  
Alexandria VA 22313-1450

Dear Sir:

This is a Response to the Office Action mailed 8/11/2005. Please enter the amendments that follow.

The Listing Of Claims begins on page 2 of this paper.

Remarks/Arguments begin on page 5 of this paper.

Listing of Claims:

1 - 13 cancelled

1       23. (new) A method for carrying out a purchase comprising the steps of:  
2               reading at a point-of-sale terminal located at a vendor consumer-  
3       identifying information encoded on a device having a readable data string;  
4               maintaining a database of discounts available at the vendor;  
5               determining on a real-time basis whether the items purchased by  
6       the consumer are items offered at a discount by the vendor, said determining  
7       not done by the consumer;  
8               transmitting a signal to the vendor to cause a discount to such  
9       items purchased by the consumer on an itemized basis that are identified in the  
10      database as being offered by the vendor at a discount, said transmitting not  
11      done by the consumer;  
12              connecting in an initial split connection connecting the point-of-sale  
13      terminal to the host system for communication therewith, the database of  
14      discounts maintained in the host system, the host system remote from the  
15      point-of-sale terminal;  
16              the host system accomplishing said determining;  
17              the host system accomplishing said transmitting to effect said  
18      discount;  
19              initially delaying connection of the point-of-sale terminal to a  
20      payment processing system and initially delaying initiation of financial  
21      authorization of payment for the purchase;  
22              following said determining and said transmitting, connecting the  
23      point-of-sale terminal to the payment processing system and completing the  
24      purchase via the payment processing system; and  
25              the effecting of said discount done without action by the  
26      consumer.  
1       24. (new) The method of claim 23 further comprising

2                   calculating a future discount for the consumer based on a  
3                   payment amount for the completed purchase.

1           25. (new) The method of claim 24 further comprising  
2                   providing the consumer with information about the future  
3                   discount.

1           26. (new) The method of claim 23 further comprising  
2                   calculating an amount of a retirement account contribution for a  
3                   consumer based on a payment amount for the completed purchase.

1           27. (new) The method of claim 26 further comprising  
2                   making a contribution to a retirement account of the consumer  
3                   based on the calculated amount.

1           28. (new) The method of claim 23 wherein the vendor has a computer at the  
2           point of sale, the method further comprising  
3                   automatically downloading to the computer information about said  
4                   discounts without a request from the consumer.

1           29. (new) The method of claim 23 wherein  
2                   the consumer has a magnetic strip card with consumer identifying  
3                   information encoded thereon said information identifying the consumer, said  
4                   consumer desiring to conduct a transaction with the vendor at the point of sale,  
5                   wherein a host system remote from the vendor location maintains  
6                   information about discounts from said vendor,

7                   wherein there is an apparatus at the vendor location for reading the  
8                   consumer identifying information on the magnetic strip card, said apparatus  
9                   interconnectible with and able to communicate with the host system for  
10                  ascertaining any discount of said discounts applicable to said transaction  
11                  without any action by the consumer,

12                  wherein there are means apart from the magnetic strip card for  
13                  automatically, without action by the consumer and without production of a  
14                  coupon identifying any applicable discount, applying any applicable discount of  
15                  said discounts related to said transaction at the point of sale for the benefit of

16           said consumer, without consumer selection of any said applicable discount and  
17           without requiring consumer awareness of any said applicable discount,  
18                           the method further comprising reading the consumer identifying  
19 information on the magnetic strip card to identify the consumer to the vendor.

1           30. (new) The method of claim 23 further comprising  
1                           determining a pertinent geographic area for the consumer.

EVIDENCE APPENDIX

None.

RELATED PROCEEDINGS APPENDIX

None.